

Service Department Analysis:



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Strengths

1. Great Store Culture and comradery throughout the shop
2. Career Advancement, several employees have progressed their career here
3. Successful Used Car operation that generates 300 RO's per month
4. Large New Car inventory with 120 PDI's per month
5. Modern Facility
6. Good communication through store
7. Everyone works as a team
8. Many tenure employees with 10-30 years of service

Weaknesses

1. Online scheduling needs improvement
2. Service and Parts Website
3. MPVI need to be gone over with customers better
4. Parts back counter efficiency with Tech's time
5. Special order parts
6. Parking for waiters/customers
7. Oil Change wait times

Opportunities

1. Fleet Services in our area
2. Rapid Sales Growth for Service Retention
3. Alignment revenue in the service lane
4. Large shop and room to grow
5. More rental vehicles to capture more customers in need of service but need a rental
6. Progress Lube Tech's to apprentices

Threats

1. Depressed local economy and income level
2. Local independent shops
3. 8 Chevrolet Store's within 15 minutes
4. Mature Staff with inability to attract new tech's to work at the store
5. Competitors trying to hire our technicians regularly

Objectives

1. Improve gross on customer pay repair orders
2. Improve Effective Labor Rate
3. Improve customer wait times for quick lube
4. Improve Tech efficiency waiting for parts
5. Increase number of daily repair orders written
6. Increase our Hours/RO on CP

Strategies

1. Mandate a MPVI is presented to every customer

2. Upgrade our fixed operations digital presence, and make online scheduling easier
3. Track lost sales better in parts, to have a better stocking mix
4. Add a parts runner to increase tech efficiency
5. Upsell more on our prepaid "WiseCare" maintenance plan, instead of just redeeming the service
6. Post Dealer & Non-Dealer pricing Board in service lane
7. Expand Express Lube area, and increase quick lube staff to cut down on wait times

Tactics

1. Adjust tech scheduling on internal & NVI's, to have more availability to help "waiters"
2. Continue to do Recon meetings with Used Car Mgr, Parts & Service Mgr's and Techs, to have streamline communication
3. Consider Back parts counter bonus based on Tech Proficiency
4. Review all pricing guides programmed in our system
5. Increase Digital Advertising on Social Media for Service Department

Objectives/Strategies/Tactics

Action Plan

<u>Task</u>	<u>By Whom</u>	<u>Completion Date</u>
Track Menu & MPVI usage daily	Service Mgr	Nov 1 2019
Revamp Website for Fixed Ops	GM/Marketing	Jan 1 2020
Track lost sales better in Parts	Parts Mgr	Nov 1 2019
Add Parts Runner	GM/Parts Mgr	Nov 1 2019
Post Competitive Pricing Board	GM/Ser. Mgr	Dec 1 2019
Expand Express Lube Area	GM	April 1 2020
Recon Meetings	GM	Weekly
Fixed Operations Meetings	GM	Monthly
Change Back counter pay plan	GM	Jan 1 2020

Service Social Media Advertising GM/Marketing Dec
1 2019

Replace Alignment machine GM/Sev Mgr Jan 1
2020

Reconfigure customer parking GM/Sev Mgr Dec 1
2019

Synopsis

We have grown the Service Department over \$200,000 this year in gross, yet as we do this exercise there is so much room for more growth. A big opportunity is for us to up sell from our WiseCare Oil change redemptions, to eliminate as many 1 line repair orders we have. We also have the service tech's waiting for parts too much, driving down their proficiency. So with a Parts helper, and better organization at the back counter, we should be able to dramatically improve the efficiency of the tech's.

Next we need to give our customers the confidence to be upsold in our service lane with our pricing, we are going to display a dealer and non dealer competitive pricing board to give the confidence they are in the right spot.

We have a big opportunity to serve our customers better online, we plan to overhaul the service side of our website with a new website provider in December. We hope to create more customer appointments, so we can plan our work flow and rental cars accordingly.

Sales at the store are on pace to increase by 1,500 units/per year the last 2 years, and with our sales process of meeting a service advisor and scheduling their first service appointment at delivery, we should see a huge amount of new customers pumped into our service department as regular customers. With these few process changes, we are poised for a monster 2020 in fixed ops.